

Decision 87 12 051 DEC 17 1987

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
THE PACIFIC TELEPHONE AND TELEGRAPH )  
COMPANY, a corporation, for authority )  
to increase certain intrastate rates )  
and charges applicable to telephone )  
services furnished within the State )  
of California. )

Application 83-01-22  
(Filed January 17, 1983)

And Related Matters. )

OII 83-04-02  
(Filed April 20, 1983)

Application 83-06-65  
(Filed June 30, 1983)

ORDER FURTHER MODIFYING DECISION 85-06-115

On June 17, 1987, AT&T Communications of California, Inc. (AT&T) filed with this Commission a petition for modification of Decision (D.) 85-06-115 in the above-captioned matter, pursuant to Rule 43 of the Commission's Rules of Practice and Procedure, Title 20, California Administrative Code. Statements were filed by MCI Telecommunications Corporation (MCI) and US Sprint Communications Company (Sprint) in support of AT&T's petition and its proposed methodology. Pacific, the Commission's Division of Ratepayer Advocates (DRA), and a group of 15 independent telephone companies (the ITCs) filed responses which oppose AT&T's proposed methodology. The ITCs also raise a procedural objection. General did not respond. AT&T filed a reply to the responses of Pacific and PSD.

Though not required under the mandatory provisions of the Rule, it was determined that a Proposed Decision would be in the public interest pursuant to the discretionary provisions of Rule 71.1 of our Rules of Practice and Procedure. Therefore, one was issued on October 2, 1987. Comments on the Proposed Decision were

received from several parties, including Pacific. In its comments Pacific requested that we designate when our rate design decision would be issued in its pending rate proceeding and that we order its 1988 SPF to SLU transition to be implemented concurrently with that decision if it was to be effective on or before January 31, 1988, but that we permit a January 1, 1988 SPF to SLU effective date if the rate design decision would not be effective by January 31, 1988.

We believed at the time that the rate design decision would be effective by January 31, 1988, and therefore ordered Pacific to implement its 1988 SPF to SLU transition concurrently with the implementation of the rate design order. It is not now certain that a rate design can be implemented by January 31, 1988.

Pacific has now filed a petition for modification of our November order asking us to grant it flexibility to implement the SPF to SLU transition any time on or after January 1, 1988. Such flexibility is reasonable in the event that we are unable to issue a rate design that can be implemented by the end of January, 1988 and will benefit not only Pacific but also the interexchange carriers and the Commission in its calculation of new rates in the rate design proceeding. Therefore, we will grant the request and amend D.87-11-022 accordingly.

IT IS ORDERED that Pacific's request for modification of D.87-11-022 is granted to the extent that:

1. The third sentence of the first paragraph at page 6 is replaced with the following:

It is our intention that the rate design order will be effective in January or February, 1988.

The remainder of that paragraph is deleted.

2. Finding of Fact 8 is amended to read:

It is the intent of this Commission that the rate design order in Pacific's pending rate case, A.85-01-034, will be issued in January or February, 1988.

3. Ordering Paragraph 2 is amended to read:

Pacific may make an advice letter filing pursuant to General Order 96-A to amend its tariffs to implement its authorized 1988 SPF to SLU transition effective on or after January 1, 1988.

This order is effective today.

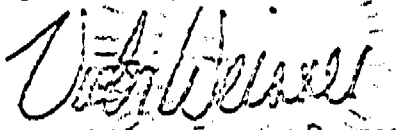
Dated DEC 17 1987, at San Francisco, California.

STANLEY W. HULETT  
President

DONALD VIAL  
G. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

Commissioner Frederick R. Duda  
being necessarily absent, did not  
participate.

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.



Victor Weissor, Executive Director